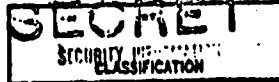


VIA: AIR FOUCH
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DISPATCH NO: 0714-167



TO: Chief, WE

DATE: 6 March 1953

FROM:

SUBJECT: GENERAL

Incime— Erwin REITHMAYER

Attached are reports from [] on Erwin REITHMAYER who was arrested in Amsterdam on 29 November 1952 for his illegal presence in the Netherlands. It is pointed out that this information has also been given to the German services.

Attachments: 2

Distribution:

Wash - 3

Frankfurt - 1

[] - 1

JFO

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DATE 2007



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REF ID: A61-28A

OAH/93/119

26-2-53.

SUBJECT: Erwin Huisman and his business relations,

Please be given you a summary of the business relations of Erwin Huisman, who was arrested in Amsterdam on 29-11-52 for illegal proceed in the Netherlands. The data were derived from my own correspondence.

Erwin Huisman is connected with (Mr) Waldemar KUELLER in Chile, and the office of THE REAL CHILE MINE, and the MINISTRY OF SANDBACH. Huisman offers copper and lead to Von HOSTIES; the latter's books - J. P. O. - accept this offer on to his "Amsterdamsche Handelsschool".

Thereafter follow a great many offers in lead and copper. Huisman acts as middleman between the Chilean firms:

1. REAL CHILE - Mr. Waldemar KUELLER, and Metrich

KUELLER-GALLAND;

2. A.D.C. UNION - Dr. Dietrich KUELLER-GALLAND;

3. MERVIL (Mercantil Financiera Ltda) - D. KUELLER-

GALLAND, and ALTAIRAT; (MERVIL represents the

"MADECO" - Manufactureros de Cobre S.A.);

4. CHILEAN MINES Prounternehmen für Handel, Industrie und Finanzierungen.

On the one side, the Russian Trade Mission in Amsterdam, and the Chambre Commerciale pour l'Europe du Nord on the other side. Huisman is not in this position. The "Chilean parties" always stress the point, that Western certificates are required, and want delivery to take place on FOB Chile conditions, whereas the Russians dictate non-transferable advices and credits, and delivery at Antwerp or Rotterdam. Although the Chilean parties emphasize the fact that they are not permitted to supply to Russia, we yet doubt whether they are acting quite in good faith, for there is a letter addressed to Von HOSTIES, probably from Waldemar KUELLER, which reads:

"Wir sind unter Umständen auch in der Lage, Metallefferen ohne Septifikate machen zu können, müssen aber dann jedoch einen erheblich höheren Preis, dafür kalkulieren.
Ich bitte dieses Sonderst vertreterlich behandeln zu wollen,
ich habe diesen Stellen vorgeschlagen, Sie, bes. Ihre
Firma als Vertragspartner für Chile-Geschäfte zu akzeptieren. In diesen Zusammenhang möchte ich erfragen, ob
Sie in der Lage wären, auf Basis eines privaten, von Ihnen
ausgearbeiteten Kabelbedes mit mir zusammenarbeiten".

RI COPY

- 8 -

From on 26-4-'52 REITHMAYER writes to HÜLMLER by cable to say he is in a position to purchase goods up to a value of several millions of dollars every month..... As the "Chilean Justice" know too, that the credits are open with the U.C.B.S., they can well guess who is that large buyer of the unknown MINES. Besides AUDAX and VOLCINI have REITHMAYER's address on to the contention of the CHILEAN MINE, from whom they buy Handel, Industrie und Finanzierungen at Valparaiso, and these gentlemen are decidedly not acting in good faith.

For recognition of the CHILEAN MINE are writing from VOLCINI and (F) ERNST, the latter being cable ex VOLCINI, and referring to a reference about others the "Economic" Andy DEMPSEY, and (F) ERNST, grandfather Reichstag president.

On 20-7-'52 VOLCINI writes to REITHMAYER to the following effect:

"...Es woude fur Sie bestimmt sehr interessant, durch uns ohne eine von Ihnen zu brauchende Dokumente - das ist Rechtsanwalt Dr. FREY ist als chilenischer Staatsanwalt besonders dazu geeignet - sich eigenen Minen hier zu kaufen, um sich die Lieferungen nach Europa selbst zu schaffen und zu bedenkend billiger Preisen darin zu dirigieren wo Sie wollen." (VOLCINI is in a position to offer an iron mine, a lead-mine and a molybdenum mine).

On 21-8-'52 VOLCINI writes to REITHMAYER about the same matter saying that as he believes REITHMAYER to be in need of copper, he can procure REITHMAYER all the titles to a copper-mine. The situation is even better with regard to lead. CHILEAN MINE has the exclusive option on a lead-mine - "Wir brauchen nur ein Akkreditiv von Ihnen, damit die Mine sofort fur Sie arbeitet und Ihnen Blei liefert soviel Sie wollen und wann Sie wollen. Unser Syndic Herr Dr. FREY ist chilenischer Justizrat geworden. Wenn wir als Auftraggeber die von Ihnen gekaupte Bleimine erhalten, kann Ihnen mit etwas passieren. Alles nur nach der richtigen Anfrage, wobei Sie immer durch unsere neutrale Firma in Valparaiso geschützt sind und als Garantie die Minerechte besitzen".

On 29-9-'52 Dr. FREY writes to REITHMAYER in reply to a letter from REITHMAYER saying that Reithmayer wants monthly lots of 3,000 tons copper without certificate: "Diese bekommen wir Ihnen beschaffen, und zwar um Preis von 80.- p. Ton. Die Bedingungen sind die Usualen, angefangen von der Lieferung des Chihafen bis zu den Einzelheiten des Akkreditive. Da sie Ihnen sauerlich geladen sind, brauchen wir sie nicht zu wiederholen. Wir benötigen nur von Ihnen verläufig und noch in dieser Woche ein

- End of -

Kabel ohne Nummernschrift, nur mit der Adressen:
Calle 1214 Santiago Chile und mit dem Wort:
"Interocco".
GRUY then knows that this refers to the 5,000 tons!
The cable need not be signed either.
In his letter of 4-11-'33 to the Chilean Minas RHEIN-
HAYER complains that they always want a statement of
the name of the buyer, and the country of destination.
He once more urges, that the goods must be free. He
writes: "I have not got a Western certificate, I only
have a credit with a first class bank in Paris, which
credit is not transferable - it is payable on precep-
tation of the bills of lading.
The goods are to be delivered in transit to Holland;
transhipment and examination of 5,000 tons takes 3 or
4 days. On arrival at Rotterdam a ship is ready waiting.
As a security is to serve the contract that had never
yet been broken, and the advice which after payment of
a guarantee for delivery is at once converted into a
credit. "Degen Vertrag der Dokumente kann der Betrag auf
beliebige Banks übernommen werden".
Summarising the position is such: I confirm by wire
price, quantity, and term of delivery; in the meantime
advice is sent to the bank, you give a transferable
guarantee for delivery of 2.5 per cent. with the Banque
Commerciale or with the Banque Suisse at Krichel. Delivery
to take place at Rotterdam in transit for Holland and
all prices. The Captain shall report six days before
arrival for writing out the certificates of quality and
weight, and for transhipment. The documents shall be
sent to the bank by the forwarding agent, whereafter
payment will be made.

Finally, for your information, our German relatives
has also received this report.

OAI/93/120

25-2-1953.

RE: OAI/93/119 d.d. 25-2-1953.

SUBJECT: Re: International Economic Control Commission

With reference to the above-mentioned subjects we inform you as follows.

From the correspondence of the German merchant Erwin REINHOLD (87-1-10 Berlin), who was arrested for his illegal transactions in the Netherlands, it has appeared, that he wanted to buy tin-ore in lead and copper on the instructions of the Economic Trade Mission in Amsterdam.

On April 22, 1952 REINHOLD requested the Banque Commerciale pour l'Europe du Nord in Paris to give to Paul POMMEL, who was calling at the Bank on April 23, the amount that he, REINHOLD, could dispose of a Letter of Credit for great \$ 240,000 in payment of a parcel of 300 tons lead.

Paul POMMEL, of 19, Allée Gobert, Luxembourg, is co-manager of the "Société Générale pour le Commerce de Produits Industriels" (SGCO) which is engaged in the sale of industrial products as early as 1948. This company was founded by the Dutch Commercial Attache in the Hague - MRAD - in connection with illegal copper transactions. According to STENAD the (insignificant) Dutch firm PHOENIX of Rotterdam had tried to buy copper for Czechoslovakia, to which end the PHOENIX was in contact with Paul POMMEL of the SGCO.

The copper was to be supplied by the National Steel Engineering Company in Washington (telegraphic address NALCO). These managing director is supposed to be Mr. COOK. The NALCO is doing business with the Republic of Chile. The contact with the NALCO is said to be arranged by STENAD, of 116 John Street, New York.

It has further been found, that about the middle of 1952 the PHOENIX was yet in contact with NALCO about transactions with which the National City Bank wanted to have nothing to do. The above facts show, that in all probability the SGCO and the NALCO in Washington are playing a part in the illegal trade in copper and lead.